

Mr T Horlick
6 Nicosia Road
London
SW18 3RN

18 April 2000

Dear Mr Horlick

This letter contains the terms which we have agreed for your appointment as Non-executive Director of the Company. Although not specifically mentioned in this letter, in the course of performing your role as a Non-executive Director of the Company you will of course be subject to the normal duties and responsibilities of a director at law.

- 1 The Board is pleased to confirm your appointment as Non-executive Director with immediate effect. However, as a recently appointed director of the Company, you will be required to offer yourself for election at the next Annual General Meeting of the Company, and your appointment is subject to your being so elected. Subject to that and the provisions of paragraph 5 below, your appointment will continue until terminated by your resignation. We ask that you use your best efforts to give the Company not less than three months' notice in writing of your intention to resign.
- 2 As a Non-executive Director of the Company, you will be expected to provide an independent review of the management team and high standards of financial probity and corporate governance. You may also be expected to serve on one or more of the committees of the Board as required from time to time. As your role is an important one, our expectation is that you will attend at least four meetings of the Board per annum and of any committees to which you are appointed in person or by telephone. In addition you will be expected to attend the Annual General Meeting, unless you are too ill to attend or your absence has otherwise been excused.
- 3 Your role as a Non-executive Director in securing good corporate governance is vital. You should be able to stand back sufficiently from the day-to-day running of the business to ensure that the Board is in full control of the Company's affairs and alert to its obligations to shareholders. Having regard to the practice of holding monthly board meetings, we expect that your appointment will require the equivalent of approximately one working day each month to be spent on the Group's business, plus additional time for committee business.
- 4 While you perform your duties as a Non-executive Director, you will be fully reimbursed for all reasonable out-of-pocket expenses which you may incur in the course of your duties in accordance with the Company's normal procedures. However, as a Non-executive director of the Company you will not be entitled to any compensation for loss of office.

- 5 You appointment will at all times be terminable by your resignation as already referred to above. In addition, your appointment will terminate automatically upon:
- 5.1 your vacating office under Article 30 of the Articles of Association;
 - 5.2 your being removed from office as a director (subject to confirmation by the members) by not less than 75 per cent of the directors pursuant to the Articles of Association or by any resolution duly proposed and resolved on by the members of the Company (provided always that if a poll shall be demanded at a General Meeting and take place upon that resolution, it shall be the result of the poll that shall count); or
 - 5.3 your not being re-elected as a director when you submit yourself to re-election in accordance with the Articles of Association.
- 6 If any circumstances should arise in which it becomes necessary for you to seek separate independent legal advice about your responsibilities as a director of the Company, you will of course be reimbursed for your legal costs of doing so. This could of course be a little awkward and in that situation you might find it helpful to discuss the issue with one of your non-executive colleagues in advance should you think it appropriate.
- 7 As you will be aware, whilst the shares of the Company are admitted to trading on the Alternative Investment Market or to listing on the Official List, it is required to notify to the Company Announcements Office details of any changes in the interests of directors in the ordinary share capital of the Company. In that context the interest of a director includes that of his wife and children and those of any bodies corporate connected with them and additionally any interest arising under a trust (except in certain specified cases). Accordingly we ask you to take personal advice as appropriate to ensure that you are able to comply with your own obligations and thereby ensure that the Company is able to discharge its obligations in that regard to the London Stock Exchange. You are also reminded that should you wish at any time to buy or sell shares of the Company, at a time when the shares of the Company are admitted to trading on the Alternative Investment Market or to listing on the Official List, you will be expected to observe and be bound by the provisions of the Model Code for transactions in securities of a quoted company in the form required by the London Stock Exchange and approved by a resolution of the board of directors of the Company.

